Discontinuance of Home Delivery of LPG Cylinders

†1596. SHRI MAHENDRA SAHNI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the reasons for discontinuing the home delivery system of LPG cylinders through vendors by present Government which was initiated by the previous Government;

(b) the steps being taken by Government to prevent the practice of underweighing of gas cylinders and its blackmarketing in Bihar which has increased on a large scale under the present Government;

(c) the reasons for LPG being not easily available in Bihar; and

(d) whether Government propose to strengthen the LPG distribution system, if so, by when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Home delivery of LPG cylinders to the genuine customers residing within the authorized area of operation of the distributor of Public Sector Oil Marketing Companies (OMCs) has not been discontinued by them.

(b) Whenever the OMCs receive a complaint regarding supply of underweight cylinders, they investigate the same and in case the complaint is established, suitable action is taken against the concerned LPG distributor in accordance with the provisions under the LPG Marketing Discipline Guidelines (MDG). In addition to the action taken by the OMCs, the Weight and Measures Department of the State are also empowered to take legal action against the cases of supply of underweight cylinders.

(c) and (d) At present, there is no shortage of LPG in Bihar and LPG supplies to distributors are being made by the OMCs as per the genuine demand of customers registered with the LPG distributors. OMCs also propose to increase the LPG distributorships in Bihar.

Prices of Petroleum Products

1597. SHRI S. ANBALAGAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

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†Original notice of the question was received in Hindi.

(a) whether Government have failed to take effective steps to contain the prices of petroleum products in the country;

(b) if so, the details thereof including the percentage of increase in each petroleum product during the last two years;

(c) the steps proposed to be taken by Government not to increase the petroleum prices any more;

(d) whether Government's subsidy on Liquefied Petroleum Gas is still unreachable to masses due to large pilferage of LPG by distributors and the sleeping/connivance of oil companies in this regard; and

(e) if so, the effective steps proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Government has been taking all possible measures to ensure that there is no hardship to common man on account of price rise. In the context of unprecedented rise in international oil prices, Government adopted the principle of equitable burden sharing amongst the three stakeholders, namely, the consumers, the PSU oil companies and the Government, to protect the interest of the common man and the vulnerable sections of society. The total burden due to increase in international prices of crude is around Rs. 73,500 crores. Government along with oil companies has decided to absorb 87.5% of the burden leaving only a balance of 12.5% to be borne by the consumers by way of increase in petrol and diesel prices.

Government has reduced the customs duty on petrol and diesel from 10% to 7.5% in June 2006. Sharing of Under-realisation by upstream oil companies amounting to Rs. 24,000 crores during 2006-07. Government has also decided to issue bonds worth Rs. 28,300 crores during 2006-07 to oil marketing companies to partially compensate for under recoveries on sensitive petroleum products.

As part of equitable burden sharing, Government has requested the co-operation of the State Governments to moderate the impact of price rise on the common man, based on which ten State Governments, namely, Andhra Pradesh, Delhi, Goa, Haryana, Himachal Pradesh, Maharashtra, Tamil Nadu (diesel only), Uttaranchal, Manipur and Assam, have reduced the sales tax on Petrol and Diesel to reduce the burden of the recent price hike.

The details of percentage increase of price of sensitive petroleum products namely, diesel, PDS kerosene and domestic LPG during the last two years are given in the statement (See below). The prices of other petroleum products are market determined.

(d) and (e) While no case of any large scale pilferage of LPG from cylinders has come to the notice of the Government, the Public Sector Oil Marketing Companies (OMCs) have reported that there have been some instances of pilferage from filled cylinders, which have been detected at their distributor's premises.

As and when complaints of pilferage of LPG are received by the OMCs, they are investigated by them and in all established cases, action is taken against the LPG distributors under the provisions of Marketing Discipline Guidelines (MDG), 2001 and/or Distributorship Agreement (DA). The MDG provide for a fine for the first two established cases of pilferage and for termination of the distributorship for the third established case against any distributor.

Statement

The details of percentage increase of price of sensitive petroleum products during the last two years.

(at Delhi)

	Petrol (Rs./Litre)	Diesel (Rs./Litre)	PDS Kerosene (Rs./Litre)	Domestic LPG (Rs./Cylinder) 14.2 kg
Retail Selling Price as on 1.8.2004	36.81	24.16	9.01	261.60
Retail Selling Price as on 1.8.2006	46.85	32.25	9.05	294.75
% Increase	27.27%	33.48%	0.44%	12.67%

Tap gas pipeline project

1598. SHRIMATI SHOBHANA BHARTIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether India has now decided to consider the Turkmenistan-Afghanistan-Pakistan (TAP) gas pipeline project to meet its energy demands;